**Reorientation of Banking Policy**

2415. SHRI RAMNARAYAN GOSWAMI: Will the Minister of FINANCE be pleased to state:

(a) whether there is any plan for a substantial reorientation of banking policy in regard to West Bengal so as to ensure that banking services and funds are made available in the State to the same extent and degree as is available in the rest of the country;

(b) if so, what are the details thereof; and

(c) what steps have so far been taken in this regard?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c) With a view to improving the flow of credit in West Bengal, Reserve Bank of India had discussions with State authorities and a special State Level Bankers' Committee meeting also held at Calcutta. State authorities were advised to prepare bankable schemes and to extend such assistance as might be needed by banks in the implementation of schemes. The banks were also advised that while preparing District Credit Plans and Annual Action Plans, their endeavour should be to increase the flow of credit particularly within the priority sectors by formulating new bankable schemes.

Recently Reserve Bank of India has issued guidelines to banks for adoption of service area approach under which a rural and semi-urban branch would be allotted 15 to 25 villages as its service area to bring about rapid economic developments of that area in coordination with the developmental agencies of State Governments. The service area approach is aimed at bringing about an improvement in the quality of lending, establishing better linkages with production and proper re-cycling of bank credit and this is expected to increase the flow of credit particularly in rural areas.

**Setting up of Cooperative Spinning Mills**

2416. SHRI RAMNARAYAN GOSWAMI: Will the Minister of TEXTILES be pleased to state:

(a) whether there is any proposal to set up cooperative spinning mills in the country during the Seventh Plan Period;

(b) if so, the details in this regard; and

(c) what will be the locations thereof?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI RAFIQUE ALAM): (a) to (c) National Co-operative Development Corporation has a programme of assisting 6 co-operative spinning mills attached with ginning and pressing unit in different cotton growing States during the 7th Plan under World Bank (IDA) financed NCDC-III Agro Industries Project. In addition there is programme to assist one more spinning mill during the 7th Plan under Central Sector Scheme funded by the Ministry of Textiles.

**(i) Projects so far, financed under NCDC-III Programme**

**Name of Society/Location**

1. Chilakaluripet Cotton Growers Co-operative Spinning Mills Ltd., Ellapadu, Distt. Guntur (Andhra Pradesh).

2. Pahasaheb Naik Kapas Utpadak Sahakari Soot Girni Ltd., Pusad, Distt. Yeotmal (Maharashtra).

3. Bhatinda Integrated Cooperative Cotton Ginning & Spinning Mills Ltd., Bhatinda (Punjab).